

Message Text

LIMITED OFFICIAL USE

PAGE 01 STATE 237899
ORIGIN EB-08

INFO OCT-01 ISO-00 /009 R

66011

DRAFTED BY:EB/ISM:MZINOMAN:GS

APPROVED BY:EB/ISM:MZINOMAN,ACTING

-----027188 032236Z /61

O 032137Z OCT 77

FM SECSTATE WASHDC

TO AMCONSUL HAMBURG IMMEDIATE

LIMITED OFFICIAL USE STATE 237899

FOR WALTER C LENAHA

FOLLOWING REPEAT KUALA LUMPUR ACTION SECSTATE INFO BANGKOK
CANBERRA JAKARTA KINSHASA LA PAZ LAGOS LONDON DATED
OCT 03:

QTE:LIMITED OFFICIAL USE KUALA LUMPUR 7204

E.O. 11652: N/A

TAGS: EMIN, MY

SUBJECT: RECORD TIN PRICES

REF: STATE 233156

1. RECENT ARTICLES IN MALAYSIAN PRESS REPORTING ON NEW RECORD-HIGH FOR TIN PRICES (M\$1770 PER PICUL AS OF SEPT. 30) HAVE GIVEN MALAYSIAN PRIVATE INDUSTRY ARGUMENTS AS TO PRINCIPAL REASONS FOR CONTINUING PRICE INCREASES. SIGNIFICANTLY, FOR THE FIRST TIME MALAYSIAN OBSERVERS HAVE INDICATED THAT SLOW MOVEMENT OF ADMINISTRATION'S REQUEST FOR AUTHORIZATION TO TRANSFER TIN METAL FROM THE GSA TO THE INTERNATIONAL TIN COUNCIL IS AMONG THOSE FACTORS. OTHER FACTORS MENTIONED INCLUDE HIGH LEVEL OF GOM
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 STATE 237899

TAXES AND UNSPECIFIED "HIGH MINING COSTS."

2. COMMENT: MALAYSIANS ARE CLEARLY CONCERNED ABOUT CONTINUING INABILITY OF ITC TO RESTRAIN UPWARD MOVEMENT IN TIN PRICES. MINISTER OF PRIMARY INDUSTRIES MUSA HITAM RECENTLY POINTED OUT DANGERS UNRESTRAINED INCREASES IN PRICE WOULD CAUSE INDUSTRY AS END USERS EVENTUALLY MOVED INTO SUBSTITUTES FOR TIN. AS MALAYSIANS SEARCH

FOR REASONS FOR THIS SITUATION, WE BELIEVE ATTENTION WILL BE INCREASINGLY FOCUSED ON SLOW MOVEMENT OF ADMINISTRATION'S REQUEST EVEN THOUGH REASONS FOR THIS ARE WELL UNDERSTOOD HERE. WE DO NOT BELIEVE, HOWEVER, THAT IDENTIFICATION OF WHAT MALAYSIANS SEE AS NEW FACTOR IN TIN PRICES INCREASES WILL SIDETRACK GROWING WILLINGNESS OF GOM TO ADDRESS HIGH TAXES WHICH THEY SEE AS AT LEAST ONE OF MAIN FACTORS WHICH HAS CAUSED MALAYSIAN TIN PRODUCTION TO FALL FROM A RECORD HIGH 75 THOUSAND TONS IN 1972 TO THE LOWEST PRODUCTION IN TWELVE YEARS IN 1976 (63.5 THOUSAND TONS). IT NOW SEEMS CLEAR THAT 1977 WILL BE EVEN WORSE AND GOM HOPING THAT IMPROVEMENT IN TAX POLICIES WHICH WILL BE ANNOUNCED LATER THIS YEAR WILL ENCOURAGE GREATER PRODUCTION IN 1978.
ROSENTHAL UNQTE CHRISTOPHER

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: TIN, PRICES, METALS
Control Number: n/a
Copy: SINGLE
Sent Date: 03-Oct-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977STATE237899
Document Source: CORE
Document Unique ID: 00
Drafter: EB/ISM:MZINOMAN:GS
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770360-0590
Format: TEL
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t197710100/aaaadhqr.tel
Line Count: 75
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 3462a423-c288-dd11-92da-001cc4696bcc
Office: ORIGIN EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 77 STATE 233156
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 29-Nov-2004 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 736680
Secure: OPEN
Status: NATIVE
Subject: RECORD TIN PRICES
TAGS: EMIN, MY
To: HAMBURG
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/3462a423-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009